

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM JANUARY 21, 2015
OPEN SESSION

MINUTES OF JANUARY 21, 2015 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN ERIC SKRMETTA, VICE CHAIR CLYDE HOLLOWAY, COMMISSIONER LAMBERT BOISSIERE, COMMISSIONER SCOTT ANGELLE and EXECUTIVE SECRETARY EVE KAHAO GONZALEZ. COMMISSIONER FOSTER CAMPBELL WAS ABSENT.

Open Session of January 21, 2015, convening at 9:19 A.M. and adjourning at 11:12 A.M., Natchez Room, 602 N. 5th Street, 1st Floor, Baton Rouge, Louisiana, with the above-named members of the Commission and Executive Secretary Eve Kahao Gonzalez.

Ex. 1	Announcements Commissioner Holloway requested that the June 24, 2015 B & E Meeting be held in New Iberia if the budget allows.
Ex. 2	Election of 2015-2016 Chair and Vice Chair. On motion of Commissioner Skrmetta, seconded by Commissioner Angelle, with Commissioner Boissiere and Commissioner Holloway concurring, and Commissioner Campbell absent, the Commission voted to elect Commissioner Holloway as the 2015 Chairman of the Commission. On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to elect Commissioner Angelle as the 2015 Vice Chairman of the Commission
Ex. 3	Election of Staff OMS/ERSC Representative for 2015-2016. On motion of Commissioner Holloway, seconded by Commissioner Angelle, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to elect Commissioner Skrmetta as the 2015 OMS/ERSC Representative.
Ex. 4	T-33350 - Louisiana Public Service Commission vs. Elite Service Recovery & Towing LLC (Lake Charles, Louisiana). In re: Alleged violation of Louisiana Revised Statutes Title 45:161 through 180.1 as amended, and General Order dated April 17, 2014 while operating under LPSC authority 6397 for exceeding state prescribed rates, allegedly having occurred on or about May 22, 2014. In re: Discussion and possible vote on ALJ recommendation. Request for Oral Argument filed by Commission Staff. On motion of Commissioner Angelle, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to allow Staff to provide oral argument. On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to approve ALJ's recommendation, with the modification that Elite be fined \$1,000 and that in future cases, the section of the Towing General Order at issue in this case be interpreted to mean that the Order allows for a surcharge for labor or equipment, not used in the normal course of a towing procedure, that is necessary to complete the recovery or the tow.

Ex. 5	<p>S-33250 - Pinnergy, Ltd. (Mansfield, Louisiana), ex parte. In re: Application to increase the tariff rates for LPSC No. 7228 & 7471</p> <p>In re: Discussion and possible vote on Staff's recommendation.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to approve Staff's recommendation for a rate of \$75 - \$105 per hour for services for both the waste and saltwater certificate.</p>
Ex. 6	<p>U-32682 - Entergy Gulf States Louisiana, LLC., ex parte. In re: Test Year 2012 Rate Stabilization Plan Filing.</p> <p>In re: Discussion and Possible Vote on Uncontested Stipulated Settlement regarding Gas Infrastructure Investment Recovery Rider for EGSL-Gas pursuant to Order No. U-32682.</p> <p>(Ex. 5 on December 7, 2014 B & E Agenda)</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Boissiere concurring, Commissioner Angelle opposing, and Commissioner Campbell absent, the Commission voted to approve the Joint Settlement Term Sheet filed into the record on December 5, 2014.</p>
Ex. 7	<p>U-32740 - Louisiana Public Service Commission versus City Tel-Coin Company, Inc. In re: Alleged violations of Louisiana Public Service Commission General Order, dated September 19, 1998 and Order R-31891.</p> <p>In re: Discussion and possible vote on ALJ recommendation.</p> <p>PASSED</p>
Ex. 8	<p>Request for Proposals from outside consultants to assist Staff with the upcoming Dixie Electric Membership Corporation's Formula Rate Plan Annual Filing reviews due December 15,2014, December 15,2015, December 15,2016 and December 15, 2017 pursuant to Order No.U-33063.</p> <p>In re: Discussion and possible vote to hire outside consultant.</p> <p>On motion of Commissioner Holloway, seconded by Commissioner Angelle, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to retain Resolved Energy Consulting to assist the LPSC in each of the four annual reviews for an annual budget of \$12,500 in fees, \$800 in expenses, for a total budget of \$50,000 in fees, \$3,200 in expenses, for a total not-to-exceed budget of \$53,200.</p>
Ex. 9	<p>U-33016 - CenterPoint Energy-Entex, ex parte. In re: Report of earnings and return on equity for the Louisiana Division for the twelve months ending June 30, 2012 for CenterPoint Energy-Entex.</p> <p>In re: Discussion and possible vote on Proposed Uncontested Stipulated Settlement.</p> <p>On motion of Commissioner Angelle, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to approve the December 23, 2014 Proposed Uncontested Stipulated Settlement Agreement executed by and between Staff and CenterPoint Energy Entex.</p>

<p>Ex. 10</p>	<p>U-33017 - CenterPoint Energy-Arkla, ex parte. In re: Report of earnings and return on equity for the Louisiana Division for the twelve months ending June 30, 2012 for CenterPoint Energy-Arkla.</p> <p>In re: Discussion and possible vote on Proposed Uncontested Stipulated Settlement.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to approve the December 23, 2014 Proposed Uncontested Stipulated Settlement Agreement executed by and between Staff and CenterPoint Energy Arkla.</p>
<p>Ex. 11</p>	<p>X-33322 - Louisiana Public Service Commission, ex parte. In re: Audit of Southwestern Electric Power Company's charges flowed through its Fuel Adjustment Charge, pursuant to Commission General Order U-21497 dated November 6, 1997, from the period beginning January 1, 2005 through December 31, 2013.</p> <p>In re: Discussion and possible vote to hire outside consultant.</p> <p>Commissioner Holloway moved to retain WHN Consulting to assist Staff throughout the completion of the docket.</p> <p>On substitute motion of Commissioner Angelle, seconded by Commissioner Boissiere, with Commissioner Skrmetta concurring, Commissioner Holloway opposing, and Commissioner Campbell absent, the Commission voted to retain Resolved Energy Consulting to assist Staff throughout the completion of the docket for a proposed budget of \$45,600 in fees, \$1,300 in expenses, for a total not to exceed budget of \$46,900.</p> <p>Commissioner Angelle requested that all consultant performance reviews done by staff be sent to all commissioners upon completion of the docket in which they were hired.</p>
<p>Ex. 12</p>	<p>U-33452 - Southwest Louisiana Electric Membership Corp., ex parte. In re: Application for Increase in Base Rates.</p> <p>In re: Discussion and possible vote to hire outside consultant.</p> <p>On motion of Commissioner Angelle, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to retain Henderson Ridge Consulting, Inc. to assist the Commission through the completion of the docket for a budget of \$26,250 in fees, \$1,500 in expenses, for a total not-to-exceed budget of \$27,750.</p>
<p>Ex. 13</p>	<p>U-33408 - Louisiana Public Service Commission, ex parte. In re: Investigative audit into the financial and technical aspects of Total Environmental Solutions, Inc. ("TESI").</p> <p>In re: Discussion and possible vote to hire outside consultant.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Angelle, with Commissioner Boissiere and Commissioner Holloway concurring, and Commissioner Campbell absent, the Commission voted to retain RJLPC to assist in house Staff by inspecting and assessing the existing wastewater infrastructure of the company for a budget of \$36,550 in fees, \$1,500 in expenses, for a total not to exceed budget of \$38,050. However, the commission directed that said consultant for RJLPC shall not commence any work until written notice is received from the Executive Secretary.</p>
<p>Ex. 14</p>	<p>Entergy Gulf States, LLC's Upcoming Filing Regarding Acquisition of two power blocks located at Union Power Station</p> <p>In re: Discussion and possible vote to hire outside consultant.</p> <p>Commissioner Skrmetta made a motion to, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to retain United Professionals Company to assist the Commission throughout completion of the docket, for a not to exceed budget of \$30,000 in fees and \$5,000 in expenses, for a total not to exceed budget of \$35,000.</p>

	<p>Commissioner Angelle made a substitute motion to hire J. Kennedy and Associates. The motion failed for lack of a second.</p> <p>Therefore, Commissioner Skrmetta re-urged his motion, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to retain United Professionals Company.</p>
Ex. 15	<p>S-33152 - Budget PrePay, Inc., D/B/A Budget Mobile, ex parte. In re: Application of Budget PrePay, Inc. d/b/a Budget Mobile for Expanded Designation as a Lifeline-Only Eligible Telecommunications Carrier in Louisiana.</p> <p>In re: Discussion and possible vote on Staff's recommendation.</p> <p>PASSED</p>
Ex. 16	<p>S-33164 - South Oakdale Water System, Inc., ex parte. In re: Request for an increase in water rates (non-profit system).</p> <p>In re: Discussion and possible vote on Staff's recommendation</p> <p>On motion of Commissioner Holloway, seconded by Commissioner Skrmetta, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to approve Staff's recommendation granting an increase of \$21.00 for 0-2,000 gallons residential and \$45.00 for 0-5,000 gallons commercial and \$6.25 per each additional 1,000 gallons residential and commercial customers.</p>
Ex. 17	<p>S-33321 - Belmont Waterworks, Inc. (Belmont, Louisiana), ex parte. In re: Request for an increase in water rates (non-profit system)</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>(Ex. 12 on December 17, 2014 B & E Agenda)</p> <p>PASSED</p>
Ex. 18	<p>S-33384 - False River Water Works Corporation, ex parte. In re: Request for an increase in water rates (non-profit systems).</p> <p>In re: Discussion and possible vote on Staff's recommendation.</p> <p>(Ex. 14 on December 17, 2014 B & E Agenda)</p> <p>PASSED</p>
Ex. 19	<p>S-33385 - Bayou Telephone Company, Inc., ex parte. In re: Petition to be designated as the Carrier of Last Resort pursuant to Section 601 (C) of the LPSC Regulations for Competition in the Local Telecommunications Market, to be designated as an Eligible Telecommunications Carrier pursuant to 47 USC 214 (e), and a statement from the Commission that it does not object to the grant of a Study Area Waiver by the Federal Communications Commission to Bayou Telephone for the Bayou Special Service Area, and the coterminous communities of Stephenville and Bayou L'Ourse.</p> <p>In re: Discussion and possible vote on Staff's recommendation.</p> <p>(Ex. 15 on the December 17, 2014 B & E Agenda)</p> <p>On motion of Commissioner Angelle, seconded by Commissioner Holloway, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Commissioner Campbell absent, the Commission voted to grant Bayou Telephone's request as filed August 18, 2014 and designate Bayou Telephone as a COLR and an ETC for the Proposed Area for the sole purpose of seeking federal universal service fund support, and that the Commission does not designate Bayou as a COLR or ETC in or for any Rural Telephone Company service/study area in the State. The Commission does not object to the granting of a Study Area Freeze Waiver ("Study Area Waiver") by the Federal Communications Commission ("FCC") to Bayou Telephone for the Proposed Area. Furthermore, upon these designations Bayou Telephone shall not be eligible</p>

	to request or receive any support from the State USF notwithstanding any other LPSC order, rule or regulation and funds previously or currently being received by Bayou from the State USF.”
Ex. 20	<p>S-33445 - CenterPoint Energy-Arkla and Sequent Energy Management, LP, ex parte. In re: Request for a Letter of Non Opposition regarding CenterPoint Energy-Arkla Asset Management Agreement and Revenue Sharing Mechanism.</p> <p>In re: Discussion and Possible Vote on Staff Recommendation.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Boissiere concurring, Commissioner Campbell absent, and Commissioner Angelle temporarily absent, the Commission voted to approve a Letter of Non-Opposition to CenterPoint renewing its Asset Management Agreement with Sequent Energy Management. This recommendation is made subject to the following conditions:</p> <ul style="list-style-type: none"> a. All customers’ savings will be flowed through the PGA and the Company’s share will be recorded in a below-the-line revenue account. b. The Company will provide annual reports to the Commission Staff illustrating the monthly costs and savings resulting from the AMA during the terms of the agreement.
Ex. 21	<p>S-33476 - Abby Plantation Estates Sanitary Sewerage Corporation, ex parte. In re: Request for a letter of non-opposition regarding the acquisition of assets Service Sanitary Sewer Corporation.</p> <p>In re: Discussion and Possible Vote on Staff Recommendation.</p> <p>PULLED</p>
Ex. 22	<p>1) Reports Report by MISO on the results of MTEP 2014 resulting projects in LA and their impact on LA ratepayers and on managing projected load growth.</p> <ul style="list-style-type: none"> • MISO gave a report of the Commission and thereafter questions were answered by both MISO and Entergy representatives. <p>2) Resolutions 3) Discussions 4) ERSC/OMS Business 5) Directives</p>
Ex. 23	<p>Directive from Commissioner Campbell requesting Staff to open a docket on building greater customer awareness of PSC policies concerning extreme weather cutoffs and waiver of deposits for victims of domestic violence.</p> <p>Commissioner Skrmetta suggested for Staff to see if there is already an open docket that addresses these concerns. If not, he suggests moving to open a new docket.</p>
Ex. 24	<p>S-33455 - Rambin-Wallace Water System, Inc., ex parte. In re: Request for a Letter of Non Opposition related to a loan application currently under review with the Drinking Water Revolving Loan Fund (DWRLF) through DHH.</p> <p>In re: Discussion and Possible Vote on Staff's Recommendation.</p> <p>At the request of Commissioner Campbell.</p> <p>On motion of Commissioner Holloway, seconded by Commissioner Skrmetta, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to approve a letter of non-opposition be issued to RWWS based on the following terms and conditions:</p>

	<ol style="list-style-type: none">1. RWWS will submit to the Audit Division a copy of all finalized loan agreements signed by both RWWS and LDHH setting out all terms within 30 days of closing; and2. RWWS will not apply in any current or future proceedings to the LPSC for an increase in its rates and charges as a result of the impact that this borrowing may have on the Company’s OMR, DSCR, or SR; and3. The Commission reserves the right to review the ratemaking treatment of this loan proposal in any future rate proceeding.
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On motion of Commissioner Holloway, seconded by Commissioner Skrmetta, with Commissioner Boissiere and Commissioner Angelle concurring, and Commissioner Campbell absent, the Commission voted to adjourn.

MEETING ADJOURNED

The next Business and Executive Session will be held February 25, 2015 at 9:00 a.m. in Baton Rouge, Louisiana.